

September 26, 2011

Martin O'Malley Governor

Anthony G. Brown Lt. Governor

Beverley K. Swaim-Staley Secretary

Darrell B. Mobley Deputy Secretary

The Honorable Ray LaHood Secretary of Transportation U.S. Department of Transportation 1200 New Jersey Avenue, SE Washington DC 20590

Dear Secretary LaHood:

I am pleased to report that since our February 8, 2011 meeting in which Governor Martin O'Malley laid out Maryland's federal transportation priorities, the Maryland Department of Transportation (MDOT) has formally announced the Baltimore-Washington Rail Intermodal Facility project. I write today to update you on this project and to request assignment of a lead agency to review and consult on this project.

As you may remember, this critical project is a joint development between MDOT and CSX Transportation, Inc. and its affiliates (CSX), to plan and construct a new intermodal container transfer facility in central Maryland. Once complete, this facility will allow the State of Maryland to support economic growth, relieve highway congestion along the I-95 and I-70 corridors, and accommodate the additional domestic and international freight demand projected for the coming years.

In anticipation of federal participation in this project, we initiated project planning activities consistent with the environmental review process established by the National Environmental Policy Act of 1969 (NEPA). These activities include identifying candidate sites for the new facility, holding public workshops to introduce the project to the public, and beginning the consultation process with project stakeholders. To date, we have been fortunate to receive informal guidance from the Federal Railroad Administration (FRA) and the Federal Highway Administration (FHWA), as well as various local, state, and federal agencies. There is currently no lead federal agency assigned to this project for NEPA.

While MDOT appreciates the engagement and direction we have received from both FRA and FHWA, we believe that the integration of the project with CSX's National Gateway initiative and the potential utilization of federal funds triggers the need for formal coordination with a lead federal agency. We have identified FHWA federal aid formula funds and potential funding from the proposed American Jobs Act as a capital funding source. For these reasons, we request FHWA as our designated lead federal agency under NEPA.

Several resource agencies have requested the identification of a lead federal agency prior to their providing formal input on the project as part of the NEPA process. With FHWA assigned as the lead federal agency (with the input of FRA, as appropriate), we hope to complete NEPA in a reasonable timeframe to keep the project on schedule. Further, with the option to utilize a design-build approach, we are confident we can accelerate project delivery to meet the goals of FHWA's Every Day Counts initiative and accommodate the growing freight demand coming through the National Gateway corridor and from the expansion of the Panama Canal.

Thank you for your continued assistance related to this important project. If you should need additional information, please contact Ms. Caitlin Hughes Rayman, MDOT's Assistant Secretary for Transportation Policy and Freight, at (410) 865-1092 or by email at crayman@mdot.state.md.us. Of course, please do not hesitate to contact me directly at any time.

Sincerely,

Beverley K. Swaim-Staley

Secretary

cc: Mr. Victor M. Mendez, Administrator, FHWA

Mr. Gregory K. Murrill, Administrator, FHWA, DelMar Division

Mr. John D. Porcari, Deputy Secretary, U.S. Department of Transportation

Mr. Joseph C. Szabo, Administrator, FRA

Ms. Caitlin Hughes Rayman, Assistant Secretary for Transportation Policy and Freight, MDOT